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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/608,562

06/30/2003

Mary Elizabeth Lawson

23952-0142

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04/04/2008

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EXAMINER

KIM, STEVEN S

ART UNIT

PAPER NUMBER

4137

MAIL DATE

DELIVERY MODE

04/04/2008

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/608,562	Applicant(s) LAWSON ET AL.	
	Examiner STEVEN KIM	Art Unit 4137	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-29 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-29 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. ____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. ____. |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>15-Nov-2007, 30-Jan-2004</u> . | 6) <input type="checkbox"/> Other: ____. |

DETAILED ACTION

1. Claims 1-29 have been examined.
2. Claims 1-29 are pending.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 12 and 27 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.
5. Claims 12 and 27 recite "wherein form of payment is determined at one of a time prior to receipt of the payment request, and a time subsequent to receipt of the payment request." The terms "prior" and "subsequent" are used in conjunction of "and". The terms are contradictory to one another.

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 1-11, 13, 16- 26, and 28 are rejected under 35 U.S.C. 103(a) as being unpatentable over Cataline et al., US Patent Application No. 2003/0055783, and Basch et al., US Patent No. 6,658,393 further in view of Rehkopf, US Patent No. 6,505,249.

8. With respect to claim 1 and 16, Cataline et al. disclose a system and method for determining a period of time to complete a payment to a payee (see ¶0027, “optimize the timing” of various payment; see ¶0076, “what is the timing necessary for the particular situation”), comprising:

- a memory (see Fig. 5, Payment Optimizer 514) configured to store information identifying a payment issue time of each of one or more payments to a payee issued on behalf of one or more payees (see Fig. 1, Data Storage 114; ¶0048 “transaction logs” stored on the Data Storage) and
- a processor (see Cataline et al. Fig. 9, Processor (optimization router) 720) configured to determine a period of time to complete a future payment to the payee issued on behalf of a payor (see ¶0027, “optimize the timing” of various payment; see ¶0076, “what is the timing necessary for the particular situation”).

9. Cataline et al. also discloses a system and method wherein a determination based on priority level (see ¶0141, algorithm assigns “various weighting” and this weighting is then used as a “factor” in determining the most effective settlement mechanism) as indicated in claims 2 and 17.

10. Cataline et al. further disclose a system and method of determining a form of payment (see Fig. 4, Determine Optimal Funding Mechanism 414; ¶0034, effectuate the most optimal available transfer) and identifying those of the one or more payments having the determined form (see Fig. 4, Determine Optimal Funding Mechanism 414; ¶0034, effectuate the most optimal available transfer); wherein the period of time to

complete a future payment to the payee is determined based upon stored information associated with the identified payments (see ¶0140, “time to complete settlement of a particular settlement mechanism” contained in a datastore) as stated in claims 11 and 26.

11. Cataline et al. also disclose a system and method of receiving a payment request to pay the payee on behalf of the payor (see Fig. 4, Receive Payment Request 402), the payment request including information identifying a payment due date (see ¶0051, payment initiator designating a bill to be paid on the due date); determining a time to issue a payment to the payee to fulfill the payment request by the due date based upon the determined period of time to complete a future payment to the payee (see ¶0140, time to complete settlement); and issuing a payment to the payee at the determined time (see Fig. 2, Process Transfer, Confirm Delivery of Funds 232) as indicated in claims 13 and 28.

12. Cataline et al. does not explicitly disclose a method of receiving post-issue event information associated with each of the one or more payments. While Cataline et al. disclose determining an optimal period of time to issue the payment (see ¶0027, “optimize the timing” to effect various payments”), it does not specifically disclose the method of determining the period of time based upon the stored information and the received post-issue event information.

13. Basch et al., however, disclose a system and method comprising a communication interface configured to receive post-issue event information associated with each of the one or more payments (see Fig. 1, “Historical / Current Clearing and

Settlement Transaction”), and Rehkopf teaches determining a period of time, based upon the stored information and the received post-issue event information (see column 8 line 16 – column 9 line 8, measures the average elapse time to complete transaction and optimizes by determining which variable setting produces the best result), to complete a future payment to the payee issued on behalf of a payor (see column 9 line 5, “Bill Computation”).

14. Basch et al. also disclose a system and method wherein the determination is performed based on a number of instances greater than an associated threshold number (see column 11, lines 34-46, data collection activities include activities and data manipulations such as "data sampling", selection of samples, filtering, matching, and transformation) as indicated in claims 3 and 18.

15. Basch et al. also disclose wherein the received post-issue event information includes at least one of i) information identifying a time that the payee posts the payment, ii) information identifying a time that the payee deposits a payment instrument associated with the payment at a financial institution, and iii) information identifying a time that a financial institution that maintains a deposit account upon which a debit associated with the payment is drawn settles the debit (see Fig. 1, “Historical / Current Clearing and Settlement Transaction; see column 8, lines 34-39, historical and current clearing and settlement transaction received periodically) as indicated in claims 4 and 19.

16. Moreover, Basch et al. disclose a system and method of predicting financial transactions based on historical transaction information sampling (see Abstract).

17. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the teachings, predictable modeling using various mathematical techniques based on historical transaction information, of Basch et al. as described above and Rehkopf disclosure, optimizing the performance of a system by determining which variable setting produces the best results, to the teachings of Cataline et al., optimization of payment methods including determining a period of time to complete a payment to a payee.

18. One of the ordinary skilled in the art would have been motivated to combine the references in order to maximize payor's cash flow and reduce transactional cost (see ¶0033 in Cataline et al., "maintaining funds availability for the longest possible time"; ¶0027 in Cataline et al., "least cost") as well as in order to more efficiently process payment transactions.

19. Examiner further notes the term, "post-issue event information", is broad enough to read on current invoice which is the result of prior payment activities and current activity.

20. With respect to claims 5 and 20, Cataline et al., Basch et al., and Rehkopf disclose limitations in claim 4. Cataline et al., Basch et al., and Rehkopf do not specifically disclose the source of post-event information as recited in claim 5, the source of the post-event information does not have patentable weight. The Examiner further notes that the recited "if" do not move to distinguish the claimed invention from the cited art. These phrases are conditional limitations with the noted "if" step not

necessarily performed. Accordingly, once the positively recited steps are satisfied, the method as a whole is satisfied -- regardless of whether or not other steps are conditionally invoked under certain other hypothetical scenarios. [See: *In re Johnston*, 77 USPQ2d 1788 (CA FC 2006); *Intel Corp. v. Int'l Trade Comm'n*, 20 USPQ2d 1161 (Fed. Cir. 1991); MPEP §2106 II C].

21. With respect to claims 6-10 and 21-25, Cataline et al., Basch et al., and Rehkopf disclose all the limitations in claim 4. Claims 6-10 and 21-25 are directed to further methods and system that uses methods of algorithm to determine a period time to complete a payment based on sampling technique utilizing available historical transaction information. Basch et al. disclose performing predictive modeling of financial transaction using different techniques, i.e. decision tree, linear regression, logistical regression, etc. (see column 11, lines 55-60). Therefore, it would have been obvious to one of ordinary skill to use whatever mathematical algorithm the ordinary artisan feels will produce the best results (*Ex parte Smith*, 83 USPQ2d 1509 (Bd. Pat. App. & Int. 2007)).

22. Claim 12, 14, 15, 27, and 29 are rejected under 35 U.S.C. 103(a) as being unpatentable over Cataline et al., Basch et al., and Rehkopf further in view of Coronna et al., US Patent Application No. 2003/0055783.

23. With respect to claim 12 and 27, Cataline et al., Basch et al., and Rehkopf teach limitations in claim 11 as described above. Cataline et al., Basch et al., and Rehkopf further disclose receiving a payment request to pay the payee on behalf of a payor (see

Cataline et al. Fig. 4, Receive Payment Request 402); identifying the determined period of time to complete a future payment to the payee (see above limitations on sampling and optimal funding mechanism), a date to issue payment to the payor (see Cataline et al. Fig.4 Execute Optimal Funding Mechanism); and initiating payment processing on the date (see Cataline et al. ¶0027, “optimize the timing” of various payment; ¶0076, “what is the timing necessary for the particular situation”); wherein the form of payment is determined at one of a time prior to receipt of the payment request, and a time subsequent to receipt of the payment request (see Cataline et al. Fig. 4, flow of the diagram).

24. Cataline et al., Basch et al., and Rehkopf do not explicitly teach transmitting information to the payor identifying the determined period of time to complete a future payment to the payee and receiving, from the payor and responsive to the transmitted information.

25. Coronna et al., however, discloses transmitting information, identified payment option, to the payor (see Fig. 10, Payment Option; ¶0103, current transaction showing “payment timing” information and “the best available method”) and receiving from the payor and responsive to the transmitted information (see Fig. 10, Approve 272).

26. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the above references.

27. One of the ordinary skilled in the art would have been motivated to combine the references in order to allow the payor with the control in deciding the payment method and to provide the payor with the flexible options on the specified payment transaction.

28. With respect to claim 14, 15, and 29, Cataline et al., Basch et al., and Rehkopf teach limitations in claim 1 as described above. Cataline et al., Basch et al., and Rehkopf further in view of Coronna et al also disclose determining a period of time to complete a future payment to the payee for each of a plurality of forms of payment based upon the stored information and the received post-issue event information (see above limitation on claim 12); receiving a payment request to pay the payee on behalf of a payor (see above limitation on claim 12); transmitting information to the payor identifying at least two different payment Options of a group of payment options consisting of a first payment option, a second payment option, and a third payment option (see Coronna et al. ¶0104, "a payment method recommendation 280 may provide information about the payment method for the current transaction, including a recommendation regarding the best available payment method and other payment methods that meet the user's payment rules"); receiving, from the payor and responsive to the transmitted option information, a selection of one of the options (see above limitation on claim 12); and issuing a payment to the payee in accordance with the one selected option, not a non-selected option (see Coronna et al. Fig. 10, Approve 272); wherein in the first option pre-posting information including information at least one of identifying the payor, identifying a payment amount, and identifying a bill is transmitted, to the payee prior to a payment to fulfill the received payment request being directed to the payee (see Coronna et al. ¶0103, details on the current transaction, i.e. "amount") ; wherein in the second option a payment to fulfill the received payment request is completed in accordance with a first one of the plurality of forms of payment having a

shorter determined period of time than a second one of the plurality of forms of payment (see Cataline et al. Fig. 3, "Use Best Payment for" 310 parameters that include delivery time); and wherein in the third option the payor determines a time for a payment to fulfill the received payment request to be issued to the payee, the payor-determined time not dependent upon a shortest determined period of time (see Cataline et al. ¶0052, allows a payment initiator, payor, to select a prospective payment timeframe, "specified date"); wherein transmitted option information associated with at least one of the first option and the second option identifies a cost to the payor associated with issuing payment in accordance with the option (see Cataline et al. ¶0034, payment system analyzes the "costs" and delivery timeline for the fund transfer) .

Conclusion

29. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.
30. Johnson et al., US Patent No. 6,999,943, disclose a system and method for providing multiple payment method for cost/benefit analysis.
31. Almalraj et al., US Patent Application No. 2004/0215560, disclose a system and method of integrated payment.
32. Dent et al., US Patent No. 6,128,603, disclose a system and method for managing and paying electronic bills.
33. Strutt et al, US Patent Application No. 2002/0133368, disclose a system and method for Accounts Payable.

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34. Kitchen et al., US Patent No. 7,120,602, disclose a method of electronic billing and payment.

35. Any inquiry concerning this communication or earlier communications from the examiner should be directed to STEVEN KIM whose telephone number is (571)270-5287. The examiner can normally be reached on Monday - Thursday (7:30AM - 5:00PM).

36. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Calvin Hewitt can be reached on (571)272-6709. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

37. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/S. K./

Examiner, Art Unit 4137

/Calvin L Hewitt II/

Supervisory Patent Examiner, Art Unit 4137